

**CONFIDENTIAL – USAC PROPRIETARY**

To: Mel Blackwell, Vice President, Schools and Libraries Division

From: Wayne Scott, Vice President, Internal Audit Division

Date: October 25, 2010

Re: Independent Auditor's Report on Zapata Independent School District's Compliance with Schools and Libraries Support Mechanism Rules (USAC Audit No. SL2010LR003)

Introduction

The Universal Service Administrative Company (USAC) Internal Audit Division (IAD) performed a limited review of Zapata Independent School District (Zapata ISD or Beneficiary), Billed Entity Number (BEN) 141503, for compliance with the regulations and orders governing the Schools and Libraries Support Mechanism, set forth in 47 C.F.R. Part 54, as well as other program requirements (collectively, the Rules). Compliance with the Rules is the responsibility of the Beneficiary's management. USAC IAD's responsibility is to express a conclusion on the Beneficiary's compliance with the Rules based on our limited review.

Zapata ISD is a public school district located in Zapata, Texas that serves over 3,200 students.

Purpose and Scope

We conducted this limited review in accordance with Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States (2007 Revision, as amended). The purpose of our limited review was to determine whether the Beneficiary complied with the Rules. The limited review was performed to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our objectives. Our limited review included examining, on a test basis, evidence supporting the competitive bidding undertaken to select a service provider, physical inventory of equipment purchased and maintained as well as performing other procedures, as we considered necessary to form a conclusion. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our objectives.

The following chart summarizes the amounts committed and disbursed to the Beneficiary for Funding Years 2005 to 2009:

Service Type	Amount Committed	Amount Disbursed
Internal Connections	\$0	\$0
Basic Maintenance of Internal Connections	\$160,439	\$160,439
Internet Access	\$217,640	\$183,588
Telecommunications	\$0	\$0
Total	\$378,079	\$344,027

Our limited review included an examination of 14 Funding Request Numbers (FRNs) during Funding Years 2005 to 2009, comprised of seven FCC Form 471 applications. The committed total represents three FCC Form 471 applications (application numbers 484065, 531511, 549988) comprised of three Funding Request Numbers (FRNs). We selected all 14 FRNs, which included those FRNs that have not been committed, to perform the procedures enumerated below with respect to the Funding Years 2005 to 2009 applications submitted by the Beneficiary.

Our procedures were performed to determine whether the Beneficiary complied with the Rules. For the purposes of this report, a finding is a condition that shows evidence of noncompliance with the Rules. An “other matter” is a condition that does not necessarily constitute a rule violation but warrants the Beneficiary and USAC management’s attention.

Conclusion

USAC IAD concludes that the Beneficiary was not compliant with the Rules for the period examined. Our examination disclosed one finding and two other matters. A summary of the results and procedures are included below.

Finding

- The Request for Proposal (RFP) was not advertised properly.

Other Matters

- Payments were not made timely.
- There was a lack of competitive bidding and invoicing documentation.

Exception Taken and Recovery Action

Finding	Monetary Effect of Finding	USAC Management Recovery Action
#1 Failure to Advertise RFP Properly	\$105,571	\$0
Total Net Monetary Effect	\$105,571	\$0

Limited Review Procedures, Findings, and Responses

A. Application Process

We obtained an understanding of the Beneficiary's processes relating to the Schools and Libraries Support Mechanism. Specifically, we examined documentation to support its effective use of funding and that adequate controls exist to ensure funds were or will be used in accordance with the Rules. We used inquiry and direct observation to ensure the Beneficiary was eligible to receive funds and had the necessary infrastructure to support the services for which funding was requested.

B. Competitive Bid Process

We obtained and examined documentation to ensure that all bids received were properly evaluated. We also obtained and examined evidence the Beneficiary waited the required 28 days from the date the FCC Form 470 was posted before signing contracts with service providers. We reviewed the service provider contracts to determine whether they were properly executed. We evaluated the equipment and services requested and purchased for cost effectiveness to ensure price was the primary factor.

C. Invoicing Process

We reviewed invoices for which payment was disbursed by USAC to determine that the equipment and services claimed on the FCC Form 474 Service Provider Invoices (SPIs) and corresponding service provider bills were consistent with the terms and specification of the service provider contracts. We also reviewed invoices for FRNs pending approval by USAC. In addition, we examined documentation to ensure the Beneficiary paid its non-discounted share in a timely manner.

D. Site Visit

We performed a physical inventory to evaluate the location and use of equipment and services to ensure it was located in eligible facilities and utilized in accordance with the Rules. We evaluated whether the Beneficiary had the necessary infrastructure to support the equipment and services for which funds were requested. We also evaluated the equipment and services purchased by the Beneficiary to ensure funding is used in an effective manner.

Our limited review findings as well as responses to the findings are provided below. We have evaluated the validity of the Beneficiary's and service provider's (where applicable) responses to our findings and our position on these issues remains unchanged.

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Finding #1
Failure to Advertise RFP Properly
Funding Year 2006

Criteria

“Except as provided in Sec. 54.511(c), an eligible school, library, or consortium that includes an eligible school or library shall seek competitive bids, pursuant to the requirements established under this subpart, for all services eligible for support under §54.502 and §54.503. These competitive bid requirements apply in addition to state and local competitive bid requirements and are not intended to preempt such state or local requirements.” 47 C.F.R. § 54.504(a).

Condition

We examined documentation to support the competitive bidding process undertaken to select a service provider. We noted that Zapata ISD issued a Request for Proposal (RFP) to solicit bids for the procurement of Wireless Wide Area Network (WAN) and Internet Access (IA) services for FRN 1481533 via its consultant’s website. However, Zapata should have advertised the RFP in a local newspaper once a week for at least two weeks prior to the deadline for receiving bids as required by Section 44.031(g) of the Texas Education Code.

Cause

Zapata ISD did not demonstrate sufficient knowledge of the Rules governing the competitive bidding process. Zapata ISD informed us that it did not advertise the RFP in the newspaper because the local service providers would not be able to furnish the services requested. Therefore, Zapata personnel believed that the school district should have been exempt from the advertisement requirement.

Effect

The monetary effect of this finding is a \$105,570.89 overpayment of support. This amount reflects the total amount of funding disbursed for FRN 1481533.

Recommendation

We recommend USAC management seek recovery of \$105,570.89 from Zapata ISD. We also recommend Zapata ISD ensure the competitive bidding process is performed in accordance with the Rules as well as state and local requirements and that sufficient, appropriate documentation is maintained to evidence such compliance.

Beneficiary Response

The individual entrusted with the program process demonstrated a lack of knowledge of the rules governing the competitive bidding process. This individual was under the direction of an E-Rate consultant, Carlos Alvarez, E-Rate360, Inc., that assured him the filing of the Form 470 itself served as the RFP. Both individual’s contracts have been terminated.

Although this was a violation of our Local and Legal Procurement Policies, i.e. Texas Education Code, we do believe the action of posting an RFP would be wasteful and useless. This was confirmed in FY 13. An RFP for FY 13 was posted in two newspapers for 10 ten days at the cost of \$1,000. No potential vendors or bids came as a result of this newspaper announcement. We are absolutely sure this is because of the rural location of our ISD. The specialized work/service our department needs and uses does not exist in our county.

USAC Management Response

Program rules require Beneficiaries to follow their state and local competitive bidding requirements in addition to the Schools and Libraries Program Rules on competitive bidding. Since the Beneficiary did not follow its own local bidding requirements, USAC will seek recovery of \$105,570.89. USAC management concurs with the finding and recommendation.

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Other Matter #1
Untimely Payments to Service Provider
Funding Years 2006, 2007, and 2009

Criteria

“We conclude that all funds disbursed should be recovered for any funding requests in which the beneficiary failed to pay its non-discounted share. While our rules do not set forth a specific timeframe for determining when a beneficiary has failed to pay its non-discounted share, we conclude that a reasonable timeframe is 90 days after delivery of service. Allowing schools and libraries to delay for an extended time their payment for services would subvert the intent of our rule that the beneficiary must pay, at a minimum, ten percent of the cost of supported services Accordingly, we clarify prospectively that a failure to pay more than 90 days after completion of service (which is roughly equivalent to three monthly billing cycles) presumptively violates our rule that the beneficiary must pay its share. For purposes of resolving any outstanding issues relating to audits conducted prior to the issuance of this clarification, we direct USAC to determine whether full payment had been made as of the time the audit report was finalized. If any amounts remained outstanding at the conclusion of the audit work, that constitutes a rule violation warranting recovery of all amounts disbursed. Information on payment of the non-discounted share shall be sought from the beneficiary.” *Fifth Report and Order*, FCC 04-190, ¶ 24 (2004).

Condition

Zapata ISD did not demonstrate sufficient knowledge of the Rules governing timely payments to service providers. Zapata ISD did not pay its non-discounted share to the service provider in a timely manner in the following instances:

- For FRN 1481533, Trillion Partners, Inc. (Trillion) billed Zapata ISD on August 11, 2006, but Zapata ISD did not pay its non-discounted share to Trillion until December 6, 2006.
- For FRN 1517636, Trillion billed Zapata ISD on October 24, 2007, but Zapata ISD did not pay its non-discounted share to Trillion until February 28, 2008.
- For FRN 1517636, Trillion billed Zapata ISD on July 1, 2007, but Zapata ISD did not pay its non-discounted share to Trillion until October 19, 2007.
- For FRN 1820389, Trillion billed Zapata ISD on November 18, 2009, but Zapata ISD did not pay its non-discounted share to Trillion until February 24, 2010.

In addition, Zapata ISD paid \$3,384.00 for invoice #002494 on November 19, 2007, although that invoice amount was a credit from Trillion for IA services received for FRN 1517636. By making that payment, it appeared Zapata ISD did not properly review service provider bills before payment.

We also noted that Zapata ISD recorded incorrect invoice dates on the paystubs applicable to check payments made for FRNs 1481533 and 1517636. By having those errors, it appeared Zapata ISD did not properly review and reconcile supporting documentation to substantiate that its payments were made in a timely manner.

Cause

Zapata ISD did not demonstrate sufficient knowledge of the Rules governing the reasonable timeframe in which bills should be paid. In addition, Zapata ISD did not have an adequate process in place to ensure its supporting documentation is properly reviewed for accuracy.

Effect

There is no monetary effect associated with this other matter as Zapata ISD paid its non-discounted share to the service provider prior to completion of the audit. However, the possibility exists that funding could be denied or recovered if service provider bills are not paid in a timely manner.

Recommendation

We recommend Zapata ISD ensure that its non-discounted costs are paid in a timely manner.

Beneficiary Response

Measures are in place, [i.e. our] ICP, [our Internal Controls Plan that we submitted to USAC to address findings from the audit conducted by Ernst & Young in 2009],which will ensure this circumstance does not occur in the future. We assembled a committee, involving multiple divisions of our district to draft and finalize an Internal Controls Plan (ICP) to be a handbook to all stakeholder[s] of the E-Rate Program process. This plan holds individuals accountable for their duties and has no single point of failure. Documentation procedures are the backbone to this ICP. We have acquired several applications to monitor and document equipment and services, i.e. switches, invoices, bills, canceled checks. An important addition to the ICP was the idea of participating in HATS, Helping Applicants to Succeed. SLD changes and evolves so often to keep up with today's technology, a helping hand to maintain and grow with the program would be welcomed at our district. *Ref. ICP 2010-2011 attached.*

USAC Management Response

The FCC's Fifth Report and Order clarified that "failure to pay more than 90 days after completion of service (which is roughly equivalent to three monthly billing cycles),

presumptively violates our rule that the beneficiary must pay its share.” Ultimately, the Beneficiary paid the non-discount portion; therefore, no recovery is required. USAC management concurs with the matter and recommendation.

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**Other Matter #2
Lack of Documentation
Funding Years 2005 to 2009**

Criteria

Schools and libraries shall retain all documents related to the application for, receipt, and delivery of discounted telecommunications and other supported services for at least 5 years after the last day of service delivered in a particular Funding Year. Any other document that demonstrates compliance with the statutory or regulatory requirements for the schools and libraries mechanism shall be retained as well. 47 C.F.R. § 54.516(a)(1).

Condition

Zapata ISD was unable to provide the following documentation to support its compliance with the Rules:

1. For Funding Years 2005 and 2009, there were no records of a bid evaluation (i.e., tally of the scores given by the members of the Bid Evaluation Committee to select a service provider) for Telecommunications, Internet Access, and BMIC services nor were there records of communication held with potential vendors.
2. For Funding Years 2006 to 2008, there were no individual scoring sheets completed by the members of the Bid Evaluation Committee for which bids were evaluated.
3. For Funding Year 2005, there were no records for the BMIC services received from Integrity Communications for FRN 1348700.

Cause

Zapata ISD did not demonstrate sufficient knowledge of the Rules governing document retention. Zapata ISD informed us that the Technology Support person, who was responsible for ensuring compliance with the Rules, was serving in the military during Funding Years 2005 and 2009 and the Consultant that was hired to manage Zapata ISD's procurement process did not maintain the competitive bidding documentation. In addition, Zapata ISD did not demonstrate sufficient knowledge of the Rules governing adequate document retention.

Effect

There is no monetary effect associated with this other matter as we were able to determine, through a review of other documentation, that Zapata ISD conducted a proper bid evaluation prior to awarding contracts to service providers, and that it received BMIC services from Integrity Communications. However, the possibility exists that funds could be denied or recovered if there is a failure to maintain adequate documentation to verify the competitive bidding process was appropriate and BMIC services were received.

Recommendation

We recommend Zapata ISD ensure that sufficient, appropriate documentation is maintained at least 5 years after the last day of service delivered in a particular Funding Year to verify that the competitive bidding process is appropriate and BMIC services are received.

Beneficiary Response

Measures are in place, [i.e. our] ICP, [our Internal Controls Plan that we submitted to USAC to address findings from the audit conducted by Ernst & Young in 2009],which will ensure this circumstance does not occur in the future. We assembled a committee, involving multiple divisions of our district to draft and finalize an Internal Controls Plan (ICP) to be a handbook to all stakeholder[s] of the E-Rate Program process. This plan holds individuals accountable for their duties and has no single point of failure. Documentation procedures are the backbone to this ICP. We have acquired several applications to monitor and document equipment and services, i.e. switches, invoices, bills, canceled checks. An important addition to the ICP was the idea of participating in HATS, Helping Applicants to Succeed. SLD changes and evolves so often to keep up with today's technology, a helping hand to maintain and grow with the program would be welcomed at our district. *Ref. ICP 2010-2011 attached.*

USAC Management Response

Pursuant to FCC rules, applicants are required to maintain records for a minimum of five years. Going forward, the applicant should familiarize itself with the FCC's Fifth Report and Order, which clarified record keeping requirements. For further guidance, the applicant should refer to the Schools and Libraries section of USAC's website and the link to "Understanding Audits," then access the training presentations available under "Audit Presentation." USAC management concurs with the matter, effect and recommendation.

This concludes the results of our audit. Certain information may have been omitted from this report concerning communications with USAC management or other officials and/or details about internal operating processes or investigations. This report is intended solely for the use of USAC, the Beneficiary, and the FCC and should not be used by those who have not agreed to the procedures and taken responsibility for the sufficiency of those procedures for their purposes.

cc: Mr. D. Scott Barash, USAC Acting Chief Executive Officer
Mr. David Capozzi, USAC Acting General Counsel

Attachment
ZCISD Internal Controls Plan (ICP)

ISSUE 1
 Use of an acceptable survey method to calculate ZCISD discount percentage.

Strategies	Status:	Timeline:	Person(s) Responsible:	Evidence:
1.1 ZCISD will reestablish base year for the 2010-2011 school year, serving as the primary means of establishing discount.	In Progress	June 2010	Chief Financial Officer, Technology Administrators, Child Nutrition Specialist	TDA Approval Letter Site Applications Student Applications Provision 2 Certification
1.2 ZCISD IT Department will retain a binder with TEA or TDA approval letters, i.e. Four Year Extension Letters, Data for Base Year.	In Progress	June 2010	Food Nutrition Specialist, IT Administrators	Provision 2 Binder for ERATE
1.3 ZCISD will use Provision Status with associated data to establish discount percentage. No other mechanism will be entertained unless a committee meets and a consensus is reached.	Implemented	June 2010	IT Administrators, Committee Members, Food Nutrition Specialist	Provision 2 Binder for ERATE Agenda/Sign of meeting (if applicable) ZCISD Memorandum for Record of methodology chosen.
1.4 The IT department will keep a copy of all files associated with calculating discounts under a protected online repository for safe keeping.	Implemented	FY13	IT Department	Online Repository

ISSUE 2

Compliance with the competitive bidding requirements of the program and assurance to provide evidence demonstrating compliance with these requirements. There are two components to these requirements – the FCC requirements and any applicable state or local

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Strategies	Status:	Timeline: Person(s) Responsible:	Evidence:
2.1 ZCISD will file an RFP through the USAC website via Form 470 for 28 days.	Implemented FY13	IT Administrators	USAC Form 470 Responses to RFP
2.2 ZCISD will post an RFP every funding year on www.zcisd.org for 28 days in efforts to advertise the services/equipment needed by the district.	Planned January 2010	IT Administrators	Website (www.zcisd.org) at the time of posting. Responses to RFPs
2.3 ZCISD will provide an explanation of the evaluation matrix on the RFP to give prospective bidders the weights associated with each indicator, i.e. Price being weighted the most.	Planned FY 14	IT Administrators	RFP
2.4 ZCISD will explore the use of State Master Contracts.	Planned FY14	IT Administrators	State Master Contract
2.5 ZCISD RFPs will follow local and state procurement policies and procedures.	Implemented FY13	IT Administrators, Chief Personnel Officer, CFO	Local and state procurement policies and procedures RFPs Responses to RFP
2.6 ZCISD IT Department will conduct a	Implemented FY13	Evaluation	Evaluation Committee Agenda

Attachment
ZCISD Internal Controls Plan (ICP)

			Committee Members	Evaluation Committee Sign In Evaluation Matrixes Findings report
2.7	committee meeting to evaluate all proposals using an evaluation matrix. This committee will come to consensus and document their findings.	Implemented FY13	School Board Members School Board secretary IT Administrators	School Board Meeting Agenda Minutes
2.8	ZCISD will report and require action from the school board of trustees to approve ‘winning bidders’.	Implemented FY13	IT Administrators	E-Rate Box filed by funding year with five year after last day of service retention.
2.9	The IT Department will retain important communication with vendors relative to ZCISD RFPs posted, winning and losing.	Implemented FY13	IT Administrators	List of Bidders Worksheet Form 470
2.10	The IT Department will compose a list of all bidders categorized by Internal Connections, Tele-Co, Internal Connection Maintenance, and Internet Access.	Planned FY14`	IT Administrators	Email logs
2.11	ZCISD will email or contact prospective vendors on updates or answers to questions other bidders asked.	Implemented FY13	IT Department	Online Repository
ISSUE 3 ZCISD will provide evidence of payment to its service providers of the non-discount portion of the cost of the goods and services for which				

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ZCISD Internal Controls Plan (ICP)

E-rate provided a discount, ZCISD will ensure it can and does pay the non-discount portion to your service provider(s) for the cost of the goods and services for which your entity seeks E-rate funding. The rules require applicants to certify on the FCC Form 471 that the entities listed on the Form 471 “have secured access to all of the resources . . . to pay the discounted charges for eligible services from funds to which access has been secured in the current funding year. The billed entity will pay the non-discount portion of the cost of the goods and services to the service provider(s)”.

Strategies		Status:	Timeline:	Person(s) Responsible:	Evidence:
3.1	ZCISD will ensure it has secured access to all of the resources to pay the non-discounted charges for services requested.	Implemented FY13	IT Administrators	Form 471 ZCISD Budget Book Budget Line item 199-53-6219-870-0-99.	
3.2	ZCISD will retain all invoices, receipts and canceled checks regarding discounted and non-discounted portions of services acquired through the E-Rate Program.	Implemented FY13	IT Administrators, IT secretary, Accounts Payable Clerk	E-Rate file boxed by funding year. (Filed by Finance Department, retained by IT Department)	
3.3	ZCISD IT Department provides the Finance Department with a ‘Detailed List of Services/Equipment’ per funding year.	Planned June 2011	IT Administrators, Accounts Payable Clerk	Detailed List of Services/Equipment per funding year. Item 21 Attachments	
3.4	The IT department will keep a copy of all files associated with services and equipment purchased with program funds under a protected online repository for	Implemented FY13	IT Department	Online Repository	

Attachment
ZCISD Internal Controls Plan (ICP)

	safe keeping.				
ISSUE_4					
	ZCISD will maintain adequate documentation to demonstrate the proper reconciliation and accounting of invoices billed to USAC using a Billed Entity Applicant Reimbursement Form (BEAR Form or FCC Form 472). ZCISD will ensure that when your entity submits a BEAR Form, it seeks reimbursement only for services and/or equipment that has in fact been provided by your service provider(s).				
Strategies	Status:	Timeline:	Person(s) Responsible:	Evidence:	
4.1	ZCISD IT Department will provide a 'BEAR Worksheet' to the accounts payable clerk to enter data monthly, i.e. Check Number, Check Date, Billing Date, Amount Billed, Amount Paid, and Service Provider.	Implemented FY13	IT Administrators, Accounts Payable Clerk	BEAR Worksheet	
4.2	ZCISD will retain all invoices, receipts and canceled checks regarding reimbursements from service providers funded through the E-Rate Program.	Implemented FY13	IT Administrators, IT secretary, Accounts Payable Clerk	E-Rate file boxed by funding year Invoices, receipts and canceled checks	
4.3	ZCISD will ensure all disbursements are reviewed and approved before payment is made.	Implemented FY13	IT Administrators, Accounts Payable Clerk	Policies and Procedures are displayed on www.zcisd.org yearly under 'Financial Operating Guidelines' page 19.	
4.4	ZCISD will maintain a file for each Form 472, which includes the following supporting documents, a) vendor invoice or a worksheet supporting the claim, b)	Implemented FY13	IT Administrators, Accounts Payable Clerk	E-Rate file boxed by funding year. (Filed by Finance Department, retained by IT Department)	

Attachment
ZCISD Internal Controls Plan (ICP)

	proof of payment to the service provider, c) correspondence with vendor regarding payments of the related invoices.			
4.5	The IT department will keep a copy of all files associated with BEARS, i.e. Service Certifications, Form 472, under a protected online repository for safe keeping. *Note: <i>Not Invoices. Invoices will be kept under an E-Rate File Boxed by Funding Year.</i>	Implemented FY13	IT Department	Online Repository E-Rate file boxed by funding year. (Filed by Finance Department, retained by IT Department)
ISSUE 5 ZCISD will make effective use of the services and equipment for which E-rate provided a discount. The rules require applicants to certify on the FCC Form 471 that the entities listed on the Form 471 “have secured access to all of the resources, including computers, training, software, maintenance, and electrical connections, necessary to make effective use of the services purchased.”				
Strategies	Status:	Timeline:	Person(s) Responsible:	Evidence:
5.1	ZCISD will secure access to all of the resources, including computers, training, software, maintenance, and electrical connections, necessary to make effective use of the discounted services purchased.	Implemented	Ongoing	IT Administrators Form 471 IT Inventory Directories Internet Connectivity Technology Service Request Logs
5.2	ZCISD IT Department will perform inventory audits weekly through the IT Department Inventory Management	Implemented	Ongoing	IT Department ITAM Reports

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ZCISD Internal Controls Plan (ICP)

Strategies				Status:	Timeline: Person(s) Responsible:	Evidence:
6.1	ZCISD IT Department will provide a	Implemented	FY13	IT		Completed BEAR Worksheet
ISSUE 6 ZCISD will request reimbursement under correct Funding Request Number (FRN) and correct funding amount.						
5.3	System, ITAM. ZCISD IT Department will conduct quarterly walk-throughs on E-Rate funded equipment.	Implemented	Ongoing	IT Administrators, Network Specialist	Network Diagrams Network Inventory Sheets	
5.4	ZCISD will be provided will an up-to-date directory of all phone lines associated with the district to the public.	Implemented	Ongoing	IT Administrators, IT Dept. Secretary	ZCISD Directory www.zcisd.org	
5.5	ZCISD will tag (color coded) each piece of equipment purchased through the E-Rate Program.	Implemented	Ongoing	IT Network Specialist, IT Administrators	Tags Network Diagrams Network Inventory Sheets	
5.6	ZCISD will reach out to the Schools and Library Division of USAC to enroll in HATS (Helping Applicants To Succeed).	Planned	FY13	IT Administrators, SLD HATS Program	HATS Agenda/Sign In HATS Recommendations (All if applicable)	
5.7	The IT department will keep a copy of all files associated with all the district resources under a protected online repository for safe keeping.	Implemented	FY13	IT Department	Online Repository Acceptable User Policies(AUPs)	

Attachment
ZCISD Internal Controls Plan (ICP)

6.2	'BEAR Worksheet' to the accounts payable clerk to enter data monthly, i.e. Check Number, Check Date, Billing Date, Amount Billed, Amount Paid, and Service Provider.	Implemented FY13	IT Administrators, IT secretary, Accounts Payable Clerk	E-Rate file boxed by funding year. (Filed by Finance Department, retained by IT Department)
6.3	ZCISD will retain all invoices, receipts and canceled checks regarding reimbursements from service providers through the E-Rate Program.	Implemented FY13	IT Administrators, Accounts Payable Clerk	Policies and Procedures displayed on www.zcisd.org yearly under 'Financial Operating Guidelines' pg. 19.
6.4	ZCISD will ensure all disbursements are reviewed and approved before payment is made.	Implemented FY13	IT Administrators, Accounts Payable Clerk	E-Rate file boxed by funding year. (Filed by Finance Department, retained by IT Department)
ISSUE 7 ZCISD will maintain a transparent system to ensure all Basic Maintenance of Internal Connections (ICM)				
Strategies	Status:	Timeline: Person(s) Responsible:	Evidence:	
7.1	ZCISD will maintain a maintenance log of E-Rate purchased equipment for ICM	Planned FY13	IT Administrators	ZCISD Maintenance Log by funding year.

Attachment
ZCISD Internal Controls Plan (ICP)

	Vendors to complete before and after maintenance is preformed.			Respective Vendors	
7.2	ZCISD will ensure all invoices are reviewed and approved before payment is made.	Planned	FY13	IT Administrators, Accounts Payable Clerk	ZCISD Maintenance Log by funding year. Invoices Cancelled Checks
7.3	ZCISD will require vendor to account for time and materials for each visit under the Basic Maintenance of Internal Connections agreement.	Planned	FY13	IT Administrators	ZCISD Maintenance Log by funding year.